STAND. COM. REP. NO. 3467

Honolulu, Hawaii

APR - 7 2006

RE: H.B. No. 2204

H.D. 2 S.D. 2

Honorable Robert Bunda President of the Senate Twenty-Third State Legislature Regular Session of 2006 State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 2204, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE OFFICE OF HAWAIIAN AFFAIRS,"

begs leave to report as follows:

The purpose of this measure is to provide interim measures to ensure that an adequate amount of income and proceeds from the pro rata portion of the public land trust are made available to the Office of Hawaiian Affairs to better the conditions of native Hawaiians. In addition, the bill seeks to identify revenuegenerating public trust lands and the amount of revenues received by requiring the Department of Land and Natural Resources to provide an annual accounting to the Legislature.

Specifically, the measure, among other things:

(1) Establishes that, until the Legislature finally resolves the issue of how the Office of Hawaiian Affairs' pro rata share of public land trust revenues is to be determined, beginning with fiscal year 2005-2006, the income and proceeds from the pro rata portion of the public land trust to be expended by the Office of Hawaiian Affairs, under Article XII, section 6, of the State Constitution, shall be \$15,100,000;

- (2) Requires certain executive departments and agencies to transfer \$3,775,000 of receipts generated by the public land trust to the Office of Hawaiian Affairs within thirty days after the end of each fiscal quarter;
- (3) Appropriates \$17,500,000 to pay the Office of Hawaiian Affairs receipts from the use of lands in the public land trust that should have been transferred but previously were not transferred to the Office of Hawaiian Affairs between July 1, 2001, through June 30, 2005; and
- Declares that nothing in the agreement contained in the measure is to be construed as resolving or settling, or be deemed to acknowledge the existence of, the claims of native Hawaiians to the income and proceeds of a prorata portion of the public land trust under article XII, section 6, of the state constitution.

Your Committee finds that the agreement embodied in the measure does not extinguish past and future claims that the Office of Hawaiian Affairs may have regarding revenue payments from ceded lands.

Your Committee has amended the measure by:

- (1) Changing the effective date to July 1, 2050 for the purpose of continuing discussion on this issue; and
- (2) Making technical nonsubstantive amendments for the purpose of clarity and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2204, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2204, H.D. 2, S.D. 2.

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Respectfully submitted on behalf of the members of the Committee on Ways and Means,

BRIAN T. TANIGUCHI, Cha

The Senate Twenty-Third Legislature State of Hawaii

Record of Votes of the Committee on Ways and Means (Bills and Resolutions)

Measure:* HB 2204 HD2 SD1	Committee Referral: JHW, WAM		Date: 4/3/06	
The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:				
The Recommendation is to:				
Pass, unamended (2312)	Pass, with amendments Hold Recommit (2311) (2310) (2313)			
Members	Ayes	Ayes(WR)	Nays	Excused
TANIGUCHI, Brian T. (C)				
TSUTSUI, Shan S. (VC)				
ENGLISH, J. Kalani				
ESPERO, Will				
FUKUNAGA, Carol				
HOOSER, Gary L.				
INOUYE, Lorraine R.				
KANNO, Brian				
KIM, Donna Mercado				
KOKUBUN, Russell S.				
NISHIHARA, Clarence K.				
SAKAMOTO, Norman				
HEMMINGS, Fred				
SLOM, Sam				
TRIMBLE, Gordon				1
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TOTAL	14	0	0	
Recommendation: Adopted Not Adopted				
Chair's or Designee's Signature:				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

^{*}Do <u>not</u> list more than one measure per Record of Votes.